

# POLITICAL ECONOMY

## HUNGARY

### HUNGARIAN FOREIGN TRADE BALANCE SHOW EXCESS OF EXPORTS OF ABOUT 15.000.000 PENGŐ

According to the report of the Royal Hungarian Central Statistical Bureau, the value of imports in November was 44.600.000, that of exports 59.500.000 pengő. The value of our imports from 1st January to 30th November was 438.000.000, that of our exports 540.000.000 pengő. The foreign trade balance for the first 11 months of the years thus shows an excess of exports of 101.800.000 pengő. This is somewhat less than the excess of exports recorded for the same period last year, but it is gratifying to note that the aggregate volume of our foreign trade has increased considerably. For, the value of imports from 1st January to 30th November was 65.000.000 pengő more than last year, that of exports 63.000.000 more. The increase in evidence in our foreign trade certainly shows an advance of the economic capacity of the country.

## RUMANIA

### DEVELOPMENT OF RUMANIA'S FOREIGN TRADE FROM JANUARY TO AUGUST 1939

Compared with 1938 and 1937, Rumania's exports and imports from January to August 1939 were as follows:

<i>Imports</i>	quantity in tons	value in lei
1939	561.931	15.877,000.000
1938	553.494	12.975,000.000
1937	399.268	11.992,000.000
<i>Exports</i>		
1939	5,321.359	16.892,000.000
1938	4,655.611	13.537,000.000
1937	6,461.981	19.986,000.000

From this it will be seen that the volume of exports during the period between January and August 1939 was larger than during the same period in the previous year. On the other hand it must be remembered that the prices of raw and half-manufactured materials have risen considerably. So far as exports are concerned the increase exceeds 665.000 tons. Rumania's exports are steadily

on the increase, especially her exports of agricultural produce, petroleum and wood.

The balance of exports and imports shows a steady improvement.

In 1939 the excess of exports was	1.014,159.000 lei
" 1938 " " " "	562,456.000 "
" 1937 " " " "	7.933,907.000 "

*Direction of Exports.*

Germany occupies the first place in Rumania's foreign trade. Exports to and imports from that country are steadily increasing. (Czecho-Slovakia is treated separately in the official report.) The second place is claimed by Great Britain. Rumania's trade with Italy has increased considerably. In the first half of last year Czecho-Slovakia was fourth on Rumania's foreign trade list. A slow increase in Rumania's trade with France is in evidence, and Belgium also does more trade with Rumania than she used to.

	<i>Exports in quintals</i>		<i>Imports in quintals</i>	
	1939	1938	1939	1938
<i>Germany</i>	1,815.338	1,359.665	11,916.329	8,858.982
<i>Great Britain</i>	349.453	274.459	8,331.512	3,320.469
<i>Italy</i>	267.002	161.964	7,440.715	4,164.683

The above figures give the volume of exports and imports in quintals. The following table shows the value of the same in thousands of lei.

	<i>Exports</i>	<i>Imports</i>
<i>Germany</i>		
1939	5,861.925	5,198.130
1938	4,580.856	3,539.652
1937	4,441.804	5,118.732
<i>Great Britain</i>		
1939	1,004.505	2,312.549
1938	1,149.315	431.912
1937	1,183.523	1,872.048
<i>Italy</i>		
1939	1,440.191	2,293.634
1938	588.063	929.199
1937	545.288	1,427.882

*Character of Rumania's Foreign Trade.*

Rumanian exports consist mostly of live stock, agricultural produce, wood, seeds, fuel and mineral products: her imports are

## POLITICAL ECONOMY

mainly raw and half-manufactured iron. Her second largest category of imports is machinery.

Exports	in million lei		
	1939	1938	1937
<i>Live stock</i>	962	679	771
<i>Agricultural produce</i>	4,560	3,306	6,569
<i>Seeds</i>	593	455	492
<i>Wood</i>	1,989	1,548	1,686
<i>Mineral products</i>	7,005	6,307	8,552

Exports have increased considerably in value, but in volume they have not, with the exception of wood, reached the 1937 level. Prices, however, are much higher. Rumania's foreign trade balance shows a steadily improving tendency.

## YUGOSLAVIA

### ABOUT HALF YUGOSLAVIA'S JOINT STOCK CAPITAL IS SITUATED IN BANATE OF CROATIA

There are 692 industrial joint stock companies in the entire area of Yugoslavia, 293 of which (42.28%) are situated in the Banate of Croatia. At the end of 1937 the balance-sheets of the industrial joint stock companies presented the following picture, from which we see what percentage of their capital falls to Croatia.

	Yugoslavia (entire area)	Croatia	Croatia's quota (%)
	in million dinars		
Joint stock capital	4,214.0	1,858.4	44.13%
Reserves	3,561.9	1,437.7	40.36%
Liabilities	6,574.7	1,191.7	18.12%
Permanent investments	7,376.2	3,320.3	45.01%
Floating capital	2,670.5	1,410.0	52.80%
Credits	2,600.4	1,243.5	47.82%
Balance-sheets total	16,371.6	6,961.1	42.50%

The situation at the end of 1937, so far as commercial joint stock companies were concerned, was as follows:

	Yugoslavia (entire area)	Croatia	Croatia's quota %
	in million dinars		
Joint stock capital	189.2	83.0	43.86%
Reserves	194.5	15.0	7.72%
Liabilities	416.3	122.0	29.30%

Permanent investments	87.3	62.5	71.60%
Floating capital	157.9	63.6	40.31%
Credits	305.2	83.1	27.24%
Balance-sheets total	858.5	239.2	27.86%

66 (55% of the total number of commercial joint stock companies operating in the whole area of Yugoslavia) are in the Banate of Croatia.

The number of traffic and transport companies working on a joint stock basis in 1937 was 42 for the whole area of Yugoslavia. Of these 26 (61.90%) fell to the Banate of Croatia.

From the above figures it is apparent that 40 or 50 per cent of the total number of joint stock companies in Yugoslavia are situated in the Banate of Croatia. The lesser number of commercial companies and the smaller amount of capital involved are explained by the fact that the biggest commercial concern in the whole country, the "Prizad", is situated in Belgrade.

#### AGREEMENT BETWEEN YUGOSLAVIA AND GERMANY RESPECTING SETTLEMENT OF PRE-WAR DEBTS

After prolonged negotiations an agreement has been concluded between *Yugoslavia* and *Germany* concerning the settlement of pre-war debts. Yugoslavia has two kinds of unpaid debts to Germany. The one concerns Serbia, the other Bosnia-Hercegovina. Between 1895 and 1909 *Serbia* borrowed 76 million francs from Germany, while the Government and municipalities of *Bosnia-Hercegovina* received 17 different loans to the total value of 336 million crowns. At the close of the 1914—1918 war the latter debt was still 110 million crowns. In terms of the present agreement, the arrears of annuities and interest on Serbia's debt accumulated between 1914 and 1929 are to be written off, while those accumulated between 1929 and 1939 are to be calculated later on and paid in instalments. Payments due at present are to be made in dinars. Bosnia-Hercegovina's debt will be settled by Yugoslavia buying the bonds when Germany offers them for sale. Their redemption will be effected gradually over a period of years.

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